

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1726-01
Bill No.: HB 680
Subject: Health Care; Health Department; Nursing and Boarding Homes
Type: Original
Date: March 5, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$49,392	\$49,392	\$49,392
Total Estimated Net Effect on <u>All</u> State Funds	\$49,392	\$49,392	\$49,392

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services** assume this proposal would not fiscally impact their agency.

Missouri Health Facilities Review Committee (MHFRC) officials state they made the assumption that the workload would increase; however, no additional staff would be requested. MHFRC stated they based their assumptions on a review of the Committee's decisions for the past three calendar years (1998, 1999, and 2000). MHFRC also examined those projects which had previously been determined to be non-applicable because they were under a \$1 million expenditure minimum, but would now be reviewable as a result of this proposal. MHFRC states that during this same period (1998 - 2000) the Committee reviewed 210 non-applicability requests. These proposals did not require an application fee. MHFRC states as a result of this proposal 69 of the requests would now require review resulting in an additional \$78,176 in application fees going into the General Revenue Fund for the three-year period (\$26,059 annually). Based on industry sources MHFRC believes that there have been a number of proposals which, because they were under the expenditure minimums, were never brought before the Committee as non-applicability requests. Many of these proposals would now also require review. Therefore, as a result, MHFRC assumes that approximately 70 additional applications would be submitted. If each of these applications required the minimum \$1,000 application fee, this would result in an additional \$70,000 going into the General Revenue Fund for the three-year period (\$23,333 annually).

This proposal would result in a increase in Total State Revenues.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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GENERAL REVENUE FUND

Income - Missouri Health Facilities
Review Committee

Additional application fees	<u>\$49,392</u>	<u>\$49,392</u>	<u>\$49,392</u>
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**ESTIMATED NET EFFECT ON
GENERAL REVENUE FUND**

	<u>\$49,392</u>	<u>\$49,392</u>	<u>\$49,392</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would revise provisions pertaining to the Missouri Certificate of Need Law. The proposal would add under the definition "expenditure minimum," the provision "for new services" and would require that the "expenditure minimum" for these services be zero. The proposal would also delete Section 197.366, RSMo, which contains the definition of "health care facilities" which becomes effective after December 31, 2001.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services
Missouri Health Facilities Review Committee

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA
Director

March 5, 2001